

WAGANAKISING ODAWAK STATUTE 2010-020**OFFICE OF THE TREASURY****SECTION I. SHORT TITLE AND PURPOSE****A. SHORT TITLE**

This statute shall be entitled “The Office of the Treasury.”

B. PURPOSE

The purpose of this Statute is to establish the Office of the Treasury under the Little Traverse Bay Bands of Odawa Indians Legislative Branch.

SECTION II. DEFINITIONS

A. “Appropriation and Finance Committee” means the Tribal Council committee established by Statute.

B. “Legislative Branch” or “Tribal Council” means the elected body created under Article VII of the Little Traverse Bay Bands of Odawa Indians Tribal Constitution.

C. “LTBB” or “Tribe” means the Little Traverse Bay Bands of Odawa Indians or the Waganakising Odawa.

SECTION III. AUTHORITY

A. The Office of the Treasury shall have the authority and shall provide Tribal Council professional auditing and management services of the Tribe regarding adequacy of management and accounting systems, procedures, practices and internal controls, including but not limited to:

- 1.** Conducting financial audits and reviews of financial records of the Tribe and related LTBB entities, enterprises, chartered corporations, departments, divisions,

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commissions, board, committees, programs, grants and contractors to the LTBB in accordance with governmental auditing standards;

2. Conducting performance audits and reviews of Tribe and related LTBB entities, enterprises, chartered corporations, departments, divisions, commissions, boards, committees, programs, grants and contractors to the LTBB in accordance with governmental auditing standards;

3. Providing management advisory services to the LTBB regarding finances, cash liquidity for current and future obligations, economic development, budgets and budget formulation processes, personnel, programs and services, and compliance with financial documents and obligations;

4. Assisting other offices or departments where appropriate in the investigation of possible fraud and/or misappropriation of assets of the LTBB.

5. Assisting in the building and maintaining of an effective, responsive, strong and accountable government related to Tribal finances.

B. The Office of the Treasury shall have the authority to receive all financial records of the Tribe and related LTBB entities, enterprises, chartered corporations, departments, divisions, commissions, board, committees, programs, grants and contractors. The requested records shall be made available within a reasonable period of time..

C. The Office of the Treasury shall have the authority to request information related to finances from LTBB entities, enterprises, chartered corporations, departments, divisions, commissions, board, committees, programs, grants and contractors. The requested information shall be made available within a reasonable period of time.

D. The Office of Auditor General may, from time to time, perform professional services for organizations and entities not accounted for by the Tribe and obtain revenue therefore, payable to the LTBB Government.

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SECTION IV. OPERATIONAL PLAN - STAFFING, ORGANIZATION AND SCHEDULING OF WORK

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A. There are hereby established the positions of the Treasury Director, other auditors, systems analysts, support staff and such other positions as may be necessary to carry out the purpose of the Office of the Treasury.

B. The Treasury Director shall be appointed by the LTBB Tribal Council, at a negotiated salary and shall serve at the pleasure of the LTBB Tribal Council. The Treasury Director shall be a licensed Certified Public Accountant or hold other comparable degree and/or certification to fulfill the purpose of the office that holds an emphasis on public sector finances. The Treasury Director shall be bound by a professional code of ethics and standards of the accounting and auditing profession such as regulated by the Board of Accountancy of the licensing state or other applicable licensing agency. The Treasury Director shall be knowledgeable in performance, compliance and financing, auditing, public administration, and governmental financial and fiscal policies. The Treasury Director may be removed at any time by a two thirds majority vote of the LTBB Tribal Council.

C. All other personnel shall be hired and compensated pursuant to LTBB policies and procedures relating to qualifications, experience, Odawa preference, salaries, etc., and subject to workload requirements and appropriate constraints while answering to the Treasury Director.

D. The LTBB Tribal Council may appoint an Acting Treasury Director to serve during the vacancies of the Treasury Director. Such Acting Treasury Director shall be subject to the same professional requirements required of the Treasury Director in §3 (B), above.

E. The scheduling of the audits for any fiscal year will be done in accordance with sound professional practice, giving priority, to the extent practicable, where requested or when the interests of the LTBB so require or as directed by Tribal Council.

**SECTION V. DUTIES, RESPONSIBILITIES AND AUTHORITY OF THE
TREASURY DIRECTOR**

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The Director of Treasury is authorized and directed to:

- A.** Formulate, implement and maintain continuing audit programs and take such action as may be deemed necessary for the accomplishment of the purpose of the office.
- B.** Establish and maintain all necessary liaison and communication with the officials of the Tribe and related LTBB entities, enterprises, chartered corporations, departments, divisions, commissions, board, committees, programs, grants and contractors, and state and federal agencies for the furtherance and accomplishment of the purpose of the office.
- C.** Coordinate with the Executive, Judicial Branches, Prosecutor and Election Board in the development of accounting, budget formulation, financial-related and audit regulations for use by the LTBB; and secure records necessary for completing audits and in the investigation of possible fraud and/or misappropriation of assets of the LTBB.
- D.** Be responsive to the requests of Tribal Council for specific information, review or audit of any aspect of LTBB government and its operation including providing management advisory services to the LTBB regarding finances, cash liquidity for current and future obligations, economic development, budgets and budget formulation processes, personnel, programs and services, and compliance with financial documents and obligations.
- E.** Prepare and present to the Tribal Council or its designee clear and concise reports of the results of internal audit reviews and examinations, prepared in accordance with generally accepted auditing standards and governmental auditing standards.
- F.** Serve as one of the principal advisors to the Tribal Council regarding accounting, systems and procedures, program, departmental/divisional operations, programs and services and financial and/or business matters.
- G.** Participate in any discussions when new fiscal procedures are being established or existing fiscal procedures modified and also in various task forces, or ad hoc committees as needed.

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H. Exercise supervisory control and direction of all personnel within the office and maintain the highest standards of quality, ethics, independency and confidentiality. Review, modify and approve programs, reports and recommendations. Schedule and prioritize audits.

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I. Represent the Office of the Treasury in legislative planning on behalf of the Tribal Council.

J. Represent the LTBB government within the areas of the responsibility and authority of the office and as authorized by the LTBB Tribal Council, in relations with all persons and organizations outside the LTBB, and in matters relating to cooperative activities with state or federal agencies, pertaining to audit. Interface with the LTBB's independent auditors.

K. Provide, to the extent necessary, training programs and library resources for the development of a well-qualified professional staff. Maintain a continuing education program designed to qualify staff personnel to meet the government standards.

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L. Conduct limited examinations of specific financial transactions and provide other administrative support services to the LTBB government as and when requested or approved by Tribal Council.

M. Enter into agreements, as deemed necessary with LTBB, state or federal departments or offices for the sole purpose of accomplishing the objectives of the office, subject to review by and approval of the Tribal Council.

N. Conduct audit follow-ups and take other necessary actions to assist in the implementation of audit recommendations in accordance with requests and direction of the Tribal Council.

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O. While conducting audits, (financial, performance and compliance) and operations appraisals of the Tribe and related LTBB entities, enterprises, chartered corporations, departments, divisions, commissions, board, committees, programs, grants and contractors give emphasis to: effectiveness, accountability, responsiveness to the needs of the Odawa people, adherence to goals and objectives, policies and plans of operation; safeguarding of LTBB assets and properties; proper use of labor, equipment, funds and properties; services to the community; compliance with applicable LTBB, state and federal laws, agreements, policies or procedures; and adequacy and efficiency of personnel.

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P. Conduct, or participate in the conduct of, examinations of financial statements of the Tribe and related LTBB entities, enterprises, chartered corporations, departments, divisions, commissions, board, committees, programs, grants and contractors, in accordance with generally accepted auditing standards.

Q. Conduct operations audits of the Tribe and related LTBB entities, enterprises, chartered corporations, departments, divisions, commissions, board, committees, programs, grants and contractors as requested by such entities or by Tribal Council.

R. Delegate authority to members of the staff as, and when, necessary.

S. Report directly to Tribal Council or its designee on all operational issues and be responsible thereto for the accomplishment of the purposes of the office.

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T. Serve as the sole authority within the LTBB for issuance of audit reports or reports covering limited examinations of specific financial transactions.

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SECTION VI. AUDIT REPORTS, ACTIONS AND FOLLOW-UPS

A. The Treasury Director shall submit the Tribe and related LTBB entities, enterprises, chartered corporations, departments, divisions, commissions, board, committees, programs, grants and contractors audit reports with findings and recommendations Tribal Council or its designee for their review. Upon receipt of the reports, review shall begin within a reasonable period of time so as to implement the audit recommendation(s) in a timely manner.

B. The Office of the Treasury shall conduct such post-audit follow-ups as are deemed necessary. The results of such post-audit follow-ups shall be similarly reported as specified by (A), above.

SECTION VII. PROCEDURES FOR ADDRESSING AUDIT FINDINGS AND IMPLEMENTING RECOMMENDATIONS

A. Within 10 working days after receipt of the final draft of an audit report from the Office of the Treasury, the audited entity will submit written comments to the Office of the Treasury that present their response to the final draft of the audit report. The audited entity may request an Office of the Treasury

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extension of up to five working days for justified reasons and approval by the Office of the Treasury. Failure of an audited entity to submit a response shall be deemed to constitute an acceptance of the final draft of the audit report.. The term “audited entity” as used includes all the Tribal and related LTBB entities, enterprises, chartered corporations, departments, divisions, commissions, board, committees, programs, grants and contractors.

B. A copy of the audited entity’s response will be published as part of the audit report issued to the Tribal Council or its designee, and the LTBB Citizens.

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C. Within 30 calendar days after the release of the audit report, the audited entity will submit a corrective action plan to the Office of the Treasury. The corrective action plan will address each finding presented in the report in one of the following ways:

- 1.** Audited entity agrees with the audit findings and will immediately implement the recommendations within a stated time period.
- 2.** Audited entity agrees with the audit findings but considers that immediate implementation of the recommendation is not feasible. Audited entity will state the reasons why implementation should be delayed and the expected time frame for implementation.

D. Upon receipt of the audited entity’s corrective action plan, the Office of the Treasury shall review the plan to determine its effectiveness. Upon approval of the plan, the Office of the Treasury shall present the audit report, and the corrective action plan to Tribal Council or its designee for review and approval.

E. The authority having oversight responsibility for the audited entity shall be served with copies of the audit report and the corrective action plan. The audited entity may request the Office of the Treasury to brief them on the audit report.

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F. Within six months after the submission of the corrective action plan, the audited entity will provide to the Office of the Treasury a written report on the status of all recommendations.

- 1.** The status report shall describe actions taken to implement the corrective action plan and the results of those actions. The report should disclose any problems that have affected the audited entity’s ability to implement the corrective action plan in a timely manner and state how the audited entity plans to address these problems.

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2. The Office of the Treasury, will review the implementation status report and, if warranted, will conduct test work to verify actions taken and/or problems encountered. The Office of the Treasury, will provide a copy of the status report along with the Office of the Treasury's opinion regarding the success of the audited entity's implementation effort to Tribal Council or its designee and the authority having oversight responsibility for the audited entity.

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G. Twelve months after the release of the audit report, the Office of the Treasury will conduct a follow-up review to document the status of the implementation. The audited entity shall provide data and information, as requested by the Office of the Treasury, to verify action taken. The Office of the Treasury shall issue a written report on the audited entity's progress in implementing the corrective action plan. As part of the follow-up report, the Office of the Treasury shall recommend action to be taken Tribal Council or its designee and present the report to the authority having oversight responsibility for the audited entity.

H. The Office of the Treasury shall report the results of the follow-up review and the status of the corrective action plan to Tribal Council or its designee.

I. Based on the follow-up review and any recommendations made by the authority having oversight responsibility for the audited entity, Tribal Council or its designee will determine what actions should be taken.

SECTION VIII. DUTIES OF AUDITED ENTITIES

Once audit findings and a corrective action plan are approved by Tribal Council or its designee, the Tribal and related LTBB entities, enterprises, chartered corporations, departments, divisions, commissions, board, committees, programs, grants and contractors which is the subject of the corrective action plan shall have a duty to implement the corrective action plan according to the terms of the plan.

SECTION IX. SANCTIONS FOR FAILURE TO IMPLEMENT PLAN

A. Whenever the Office of the Treasury determines through the periodic review established in Section 6 or 7 that a the Tribal and related LTBB entities, enterprises, chartered corporations, departments, divisions, commissions, board, committees, programs, grants and contractors has

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failed to implement the corrective action plan approved by Tribal Council or its designee within the time table set by the corrective action plan or the Office of the Treasury, the Office of the Treasury shall immediately report that failure to Tribal Council or its designee.

B. As a sanction for failure to implement the corrective action plan, Tribal Council or its designee may cause 10% of monies payable from unrestricted funds, be withheld as a sanction until such time as the audited entity has demonstrates to the Office of the Treasury that the corrective action plan has been implemented. Once proof of implementation of the corrective action plan has been demonstrated, the Office of the Treasury shall immediately report this compliance to Tribal Council or its designee who may then release the sanction and all withheld funds.

C. In addition to the above, the director or manager of any Tribal or related LTBB entities, enterprises, chartered corporations, departments, divisions, commissions, board, committees, programs, grants and contractors which fails to implement a corrective action plan, as reported by the Office of the Treasury, may have 20% of their salary withheld as a sanction by Tribal Council until such time as the director or manager has demonstrates to the Office of the Treasury that the corrective action plan has been implemented, and approved by Tribal Council. Whenever the audited entity is a Commission, Board or Committee, 20% of any payment prospectively due to the residing officials may be withheld after the recommended sanction is approved by Tribal Council. . Once proof of implementation of the corrective action plan has been demonstrated, the Office of the Treasury shall immediately report this compliance to Tribal Council who may release the withheld salary or compensation.

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SECTION X. SAVINGS CLAUSE.

In the event that any phrase, provision, part, paragraph, subsection or section of this statute is found by a court of competent jurisdiction to violate the Constitution, laws or ordinances of the Little Traverse Bay Bands of Odawa Indians, such phrase, provision, part, paragraph, subsection or section shall be considered to stand alone and to be deleted from this statute, the entirety of the balance of the statute to remain in full and binding force and effect.

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SECTION XI. EFFECTIVE DATE

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Effective upon signature of the Executive or shall be deemed enacted if not expressly vetoed by the Executive within thirty (30) days of submission. The Tribal Council may, by an Office of the Treasury

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affirmative vote of seven (7) members of the Tribal Council, override a veto by the Executive.

CERTIFICATION

As the Tribal Council Legislative Leader and Tribal Council Secretary, we certify that this Statute was duly passed by the Tribal Council of the Little Traverse Bay Bands of Odawa Indians at a regular meeting of the Tribal Council held on December 19, 2010 at which a quorum was present, by a vote of 6 in favor, 1 opposed, 1 abstentions, and 1 absent as recorded by this roll call:

	<u>In Favor</u>	<u>Opposed</u>	<u>Abstained</u>	<u>Absent</u>
<u>Marvin Mulholland</u>		<u>X</u>		
<u>Belinda Bardwell</u>				<u>X</u>
<u>Melvin L. Kiogima</u>				<u>X</u>
<u>Gerald V. Chingwa</u>	<u>X</u>			
<u>Rita Shananaquet</u>	<u>X</u>			
<u>Aaron Otto</u>	<u>X</u>			
<u>John Bott</u>	<u>X</u>			
<u>Regina Gasco Bentley</u>	<u>X</u>			
<u>Julie Shananaquet</u>	<u>X</u>			

Date: _____
Julie A. Shananaquet, Legislative Leader

Date: _____
Regina Gasco Bentley, Secretary

Received by the Executive Office on _____ by _____

Pursuant to Article VII, Section D, Subsection 1 of the Little Traverse Bay Bands of Odawa Indians Constitution adopted on February 1, 2005 the Executive concurs in this action of the Tribal Council.

Date: _____
Ken Harrington, Tribal Chairperson

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